At the Board of Directors' meeting on December 15,210,000 tax-paid by \$12,616,500 was assessed as dues to be paid by Class A members of The Council for the fiscal year 1986. A supplemental assessment of \$1,200,000 was approved by the Board at its Special Meeting of June 12, 1986, making the 1986 total \$13,816,500. The first installment of said dues based on 2.72 cents for each 10,000 tax-paid cigarettes 1,520,712 has been paid and totals \$1,259,908.99, leaving net unpaid dues totaling \$12,556,591.01.

Your Company's proportionate share of the first installment was \$'or %. Applying this percentage to the 13.689,28% \$12,556,591.01 unpaid balance, a total of \$ remains to be paid in eleven installments by .

Will you please return a check to this office for \$ representing your Company's second and third installments of 198% dues.

The check should be made out to THE COUNCIL FOR TOBACCO RESEARCH-U.S.A., INC.

Cordially,

R. F. Gertenbach

RFG/lp

cc: